

paragraphs (b)(2), (b)(4), and (b)(5) of this section.

(c) The Regional Supervisor may grant an SOO to conduct additional geological and geophysical data analysis that may lead to the drilling of a well below 25,000 feet true vertical depth below the datum at mean sea level (TVD SS) when all of the following conditions are met:

(1) The lease was issued with a primary lease term of:

(i) Five years; or

(ii) Eight years with a requirement to drill within 5 years.

(2) Before the end of the fifth year of the primary term, you or your predecessor in interest must have acquired and interpreted geophysical information that:

(i) Indicates that all or a portion of a potential hydrocarbon-bearing formation lies below 25,000 feet TVD SS; and

(ii) Includes full 3-D depth migration over the entire lease area.

(3) Before requesting the suspension, you have conducted or are conducting additional data processing or interpretation of the geophysical information with the objective of identifying a potential hydrocarbon-bearing geologic structure or stratigraphic trap lying below 25,000 feet TVD SS.

(4) You demonstrate that additional time is necessary to:

(i) Complete current processing or interpretation of existing geophysical data or information;

(ii) Acquire, process, or interpret new geophysical or geological data or information that would affect the decision to drill the same geologic structure or stratigraphic trap, as determined by the Regional Supervisor, identified in paragraphs (c)(2) and (c)(3) of this section; or

(iii) Drill a well below 25,000 feet TVD SS into the geologic structure or stratigraphic trap identified as a result of the activities conducted in paragraphs (c)(2), (c)(3), and (c)(4)(i) and (ii) of this section.

§ 250.176 Does a suspension affect my royalty payment?

A directed suspension may affect the payment of rental or royalties for the lease as provided in 30 CFR 1218.154.

§ 250.177 What additional requirements may the Regional Supervisor order for a suspension?

If BSEE grants or directs a suspension under paragraph §250.172(b), the Regional Supervisor may require you to:

(a) Conduct a site-specific study.

(1) The Regional Supervisor must approve or prescribe the scope for any site-specific study that you perform.

(2) The study must evaluate the cause of the hazard, the potential damage, and the available mitigation measures.

(3) You must pay for the study unless you request, and the Regional Supervisor agrees to arrange, payment by another party.

(4) You must furnish copies and results of the study to the Regional Supervisor.

(5) BSEE will make the results available to other interested parties and to the public.

(6) The Regional Supervisor will use the results of the study and any other information that becomes available:

(i) To decide if the suspension can be lifted; and

(ii) To determine any actions that you must take to mitigate or avoid any damage to the environment, life, or property.

(b) Submit a revised Exploration Plan (including any required mitigating measures);

(c) Submit a revised Development and Production Plan (including any required mitigating measures); or

(d) Submit a revised Development Operations Coordination Document according to 30 CFR part 550, subpart B.

PRIMARY LEASE REQUIREMENTS, LEASE TERM EXTENSIONS, AND LEASE CANCELLATIONS

§ 250.180 What am I required to do to keep my lease term in effect?

(a) If your lease is in its primary term:

(1) You must submit a report to the District Manager according to paragraphs (h) and (i) of this section whenever production begins initially, whenever production ceases during the last 180 days of the primary term, and

§§ 250.181–250.185

30 CFR Ch. II (7–1–14 Edition)

whenever production resumes during the last 180 days of the primary term.

(2) Your lease expires at the end of its primary term unless you are conducting operations on your lease (see 30 CFR part 556). For purposes of this section, the term *operations* means, drilling, well-reworking, or production in paying quantities. The objective of the drilling or well-reworking must be to establish production in paying quantities on the lease.

(b) If you stop conducting operations during the last 180 days of your primary lease term, your lease will expire unless you either resume operations or receive an SOO or an SOP from the Regional Supervisor under § 250.172, § 250.173, § 250.174, or § 250.175 before the end of the 180th day after you stop operations.

(c) If you extend your lease term under paragraph (b) of this section, you must pay rental or minimum royalty, as appropriate, for each year or part of the year during which your lease continues in force beyond the end of the primary lease term.

(d) If you stop conducting operations on a lease that has continued beyond its primary term, your lease will expire unless you resume operations or receive an SOO or an SOP from the Regional Supervisor under § 250.172, § 250.173, § 250.174, or § 250.175 before the end of the 180th day after you stop operations.

(e) You may ask the Regional Supervisor to allow you more than 180 days to resume operations on a lease continued beyond its primary term when operating conditions warrant. The request must be in writing and explain the operating conditions that warrant a longer period. In allowing additional time, the Regional Supervisor must determine that the longer period is in the National interest, and it conserves resources, prevents waste, or protects correlative rights.

(f) When you begin conducting operations on a lease that has continued beyond its primary term, you must immediately notify the District Manager either orally or by fax or e-mail and follow up with a written report according to paragraph (g) of this section.

(g) If your lease is continued beyond its primary term, you must submit a

report to the District Manager under paragraphs (h) and (i) of this section whenever production begins initially, whenever production ceases, whenever production resumes before the end of the 180-day period after having ceased, or whenever drilling or well-reworking operations begin before the end of the 180-day period.

(h) The reports required by paragraphs (a) and (g) of this section must contain:

- (1) Name of lessee or operator;
- (2) The well number, lease number, area, and block;
- (3) As appropriate, the unit agreement name and number; and
- (4) A description of the operation and pertinent dates.

(i) You must submit the reports required by paragraphs (a) and (g) of this section within the following timeframes:

- (1) Initialization of production—within 5 days of initial production.
- (2) Cessation of production—within 15 days after the first full month of zero production.
- (3) Resumption of production—within 5 days of resuming production after ceasing production under paragraph (i)(2) of this section.
- (4) Drilling or well reworking operations—within 5 days of beginning and completing the leaseholding operations.
- (j) For leases continued beyond the primary term, you must immediately report to the District Manager if operations do not begin before the end of the 180-day period.

§§ 250.181–250.185 [Reserved]

INFORMATION AND REPORTING REQUIREMENTS

§ 250.186 What reporting information and report forms must I submit?

(a) You must submit information and reports as BSEE requires.

(1) You may obtain copies of forms from, and submit completed forms to, the District Manager or Regional Supervisor.

(2) Instead of paper copies of forms available from the District Manager or Regional Supervisor, you may use your own computer-generated forms that are equal in size to BSEE's forms. You